Majority Affirmative Action in Malaysia:
IMPERATIVES, COMPROMISES AND CHALLENGES

Hwok-Aun Lee | Institute for Southeast Asian Studies
March 2017

I. INTRODUCTION

Fragmented by colonial rule but compelled by historical conditions to form a country, a blend of ethnicities and cultures reside within Malaysia. Demographically, the largely rural Malay population has constituted an ethnic majority, though not always by a dominant margin. Minority groups, mainly of Chinese and Indian ethnicity, have accounted for substantial shares of the population, albeit declining over time while maintaining disproportionate economic power compared to the socio-economically disadvantaged, but politically established Malay population.

Malaysia's Constitution provides explicitly for preferential policies for Malays and indigenous groups—known collectively as the Bumiputera or "sons of the soil"—based on their "special position". In 1957, when the colony of Malaya gained independence, Malays accounted for about half the population. The merger of Sabah and Sarawak (East

Malaysia) with Malaya (Peninsular Malaysia) in 1963 expanded the share of indigenous populations subsumed under the Bumiputera category. Higher Bumiputera population growth sees this group currently making up 67% of Malaysians, with Malays comprising 54% of the national population (mostly on Peninsular Malaysia) and other indigenous groups termed non-Malay Bumiputera comprising 12% (predominantly in Sabah and Sarawak). Today, the other main ethnic groups are the Chinese and Indians, who constitute 25% and 7% of the population respectively. Within this mix, the socio-economic disadvantage of the majority Malay population has posed profound challenges for development policy, national integration and the creation of inclusive citizenship through pluralism.

Adding a further layer of complication, politics has been framed along ethnic lines, with the ruling coalition comprised of ethnicity-based parties representing their group's interests and making inter-ethnic bargains, within which the

Malay party holds a hegemonic position. National identity and public policy have largely grown in the shadow of the dual imperative for ethnic interests to be institutionalized, and for compromises and rapprochements among contesting parties. The most salient communally delineated political rallying points—Bumiputera quotas in education, employment and ownership policies, and Chinese and Tamil vernacular schooling—are also major spheres of economic development and social interaction, thereby constricting the capacity of these measures to foster integration and pluralistic outlooks.

Conflict and violence can be triggered, fomented or manipulated where ethnic disparity and disconnect persist. Malaysia did suffer a tumultuous, tragic and momentous eruption of ethnic violence, on 13 May 1969, following which emergency rule was enforced and the New Economic Policy (NEP) crafted. From its promulgation in 1971, extensive affirmative action under the NEP's aegis have comprehensively steered public policy and shaped ethnic relations in enduring ways. The impetus, design and execution of ethnic preferential policies are intertwined with ethnicity-based politics. The ruling coalition, steeped in ethnic politics and tending towards authoritarianism, has held power for almost 60 years and perpetuated these accommodations.

Stemming from explicit constitutional authorization and Malay political primacy, the policy of majority-favouring affirmative action or pro-Bumiputera positive discrimination is propelled by strong political imperatives and pressures. The policy is further reinforced by Malay dominance of the executive branch of government. Religion adds yet another layer of complexity to Malaysia's socio-political fragmentation.

On the whole, Malaysia has moderated social conflict, but the shortcomings and dysfunctionalities of its attempts at forging unity and integration also serve as a warning. Malaysia is aptly described as inhabiting a state of stable tension.[1] Pragmatism has held court. Accommodative politics and policies have emerged out of necessity and expediency. The nation averted a recurrence of ethnic violence, aided in part by sustained and robust economic growth and employment. At the same time, the country's progress toward its overarching goal of national unity has fallen short and even regressed in some areas. Ethnic groups coexist peacefully, but national integration remains flawed and inclusive citizenship is elusive.

This paper outlines and discusses the imperatives driving Malaysia's affirmative action policies and engagements with pluralism, as well as the compromises that have shaped these policies and constrained integration. Pluralism is applied as an analytical lens, as a distinct and inter-related concept vis-á-vis Malaysia's officially conceived notions of national unity or integration. The paper critically outlines and examines the programs and outcomes of affirmative action in relation to pluralism. It also assesses the dynamics of inclusion and exclusion in the politics and policies surrounding identity, language and culture. It concludes by drawing lessons from Malaysia's experience.

II. SOCIO-ECONOMIC IMPERATIVES AND POLITICAL COMPRISES: THE ORIGINS OF AFFIRMATIVE ACTION

Malaysia's inter-group socio-economic inequalities have long posed a challenge to national integration and to greater pluralism. The breadth and depth of the constitutional provision for ethnic preferential policies, and the programs prosecuted under the New Economic Policy (NEP) since the late 1960s, derive in part from the form and magnitude of these group-based disparities.

From independence in 1957 and through the 1960s, general patterns of social separation and labour market stratification persisted in Malaysia, which constituted a racial or ethnic division of labour.[2] The vast majority of the Malay population lived in rural settings and engaged in agrarian activities, especially rice cultivation. Malays also occupied sizable proportions of high-ranking positions in the bureaucracy, police and security services. In contrast, the Chinese population was mainly urbanized, with both a substantial working class and a nascent capitalist class especially in distribution and retail sectors, where clan-based networks provided financial resources. More evenly distributed between the rural and urban economies, the Indian population was most conspicuous as labourers on rubber plantations and lower-rung administrators in government services as well as in the professions.

Various indicators capture the magnitude of the inequality between these three groups in broad snapshots. In 1957, the poverty rate among Malays was 70.5%, compared to 27.4% for Chinese and 35.7% for Indians. The disparity persisted through to 1970, although by a decreased margin, as poverty remained considerably higher for Malays (64.8%) than for Chinese (26%) and it increased slightly among Indians (39.2%). In Peninsular Malaysia in 1967, the Chinese-Malay household income ratio was recorded at 2.47 and the Indian-Malay household income ratio at 1.95.[3]

Similar divides prevailed in the spheres later targeted for affirmative action—higher education, high-level occupations and property ownership. In 1970, the ethnic composition of the University of Malaya—then Malaysia's sole higher education institution—generally reflected the national population, with 40.2% Malay, 48.9% Chinese and 7.3% Indian; however, Malay representation in some fields was exceedingly low. Malay graduates numbered 22 out of a total 493 in science, one out of 67 in medicine, one out of 71 in engineering and 15 out of 49 in agriculture. The ethnic divide also affected higher-level occupations. While Malays constituted 52.7% of the Malaysian population in 1970, they occupied 22.4% of management and administrative positions. In the top rungs of the civil service, Malays filled 39.3% of positions.[4] These figures capture both the low representation of Malays in high level positions, and the fact that their upward mobility was heavily dependent on the public sector. With regard to equity ownership, in 1970, Malay ownership accounted for only 1.5% of total share capital ownership of limited companies in Peninsular Malaysia, while Chinese and Indians

held 23.7%, and 62.1% was held by foreign interests.[5]

The structure of socio-economic disparities impacted the formation of Malaysia's affirmative action regime. First, given the lack of higher education institutions in the country as a whole at that time, affirmative action in Malaysia emerged alongside the creation of numerous new educational institutions. This tandem development provided conducive conditions for the centralization of university administrations, for the embedding of admissions quotas for Bumiputera students from the onset and for the establishment of Bumiputera-only institutions at both tertiary and post-secondary levels.

Second, while some groups were disadvantaged or excluded from employment opportunities on the whole, labour markets in Malaysia were not systematically hierarchical and repressive in ways that pitted groups against each other—in contrast to societies, such as apartheid South Africa or India, where severe racial or caste-based discrimination prevailed. This absence of historical, systematic labour market discrimination against the Bumiputera, along with statutory Bumiputera preference in the public sector since Malaysian independence, contributed to the perpetuation of a public-private sector bargain whereby the public sector was utilized as a channel for Bumiputera advancement in exchange for relative policy restraint toward private sector education institutions and employment.

Third, wealth distribution and capitalist development programs have been pursued with vigour, due to the most conspicuous under-representation of Bumiputeras in these areas, as well as the economic power vested in such interventions and the high stakes of state-sponsored patronage through dispensing rents. The construction of a Bumiputera—especially Malay—industrial and commercial elite has been pursued as a priority with varying instruments and mixed results. The linchpin of this agenda has shifted over time, from state-owned enterprises from the 1970s to mid-1980s, to privatization in the mid-1980s and then back to government-linked companies after the 1997–98 Asian financial crisis. This sphere of affirmative action has undergone the most change and reform, and also resulted in the most conspicuous failures.

Constitutional Responses

It is difficult, if not impossible, to envisage national integration maturing in the absence of equal rights and equal status of citizens before the law, with the resulting fair access to opportunity. Likewise, pluralism entails a significant measure of multiplicity and inclusion in national identity, with diversity and solidarity in political engagement, policy formulation and social interaction. This section considers the imperatives for ethnic representation and ethnically-delineated policies, and the underlying constitutional provisions and socio-political pressures. While driven by strong Malay-centric impulses, politics and policy have also been built on compromises that alleviate conflict. These settlements may meet the vested interests of contending groups and avert conflict, but, at the same time, leave various problems unresolved. Of particular interest are affirmative action programs. These programs are authorized by the Constitution and propelled by the NEP, but marred in practice by

overreach and the incoherent conceptualizations of present reforms.

Affirmative action is more extensive in Malaysia than any other country, and has significantly facilitated pluralism, while also circumscribing and even undermining the quest for inclusiveness. Globally, affirmative action policies seek, through some form of preferential treatment, to facilitate the upward socio-economic mobility of a disadvantaged or under-represented group.[6] Debate persists over the effectiveness of affirmative action policies and the net balance of their various effects. On the positive side, the policy bolstered the stature of the disadvantaged, beneficiary group and facilitated their greater inclusion in upper spheres of education, employment and ownership, while negative stances chiefly focus on the exclusion of non-beneficiaries and emigration, increased ethnic consciousness and stigmatization of beneficiaries whose merits are questioned.

Few national constitutions in the world will explicitly permit group preferential policies, fewer still will premise such provisions on differential ethnic group status. Malaysia is an exception by far. The equality principle also holds, but with distinct and contentious qualification. Article 8 of the Federal Constitution provides for individual equality and prohibits discrimination, but in balance with the "special position" of the Malays and the indigenous peoples of Sabah and Sarawak, "and the legitimate interests of other communities" as outlined in Article 153. This article empowers the national king to exercise his powers "in such a manner as may be necessary" to safeguard the special positions of members of these groups to ensure reservation of a "reasonable" proportion

of the following: positions in the public service; scholarships and other similar educational or training privileges; and permits and licenses.[7]

This stark constitutional imprimatur for privileged access based on ethnicity stemmed from a bargain in which these Malay-favouring provisions would be instituted to protect the majority, while citizenship would be accorded to non-Malays. Partial and selective readings of Article 153 have generated gridlocked debate over the balancing of majority and minority interests, and restricted scope for transitioning away from ethnic quotas and Bumiputera exclusivity. Two complementary, but sometimes conflicting interpretations of the text warrant particular attention: first, the assertion that the "special position" of the Bumiputera is permanent; and second, the reminder that the "legitimate interests" of other communities are guaranteed.

The claim that preferential benefits deriving from the "special position" of the Bumiputera are permanent is enabled and perpetuated by Malaysia's ethnicity-based political order. Article 153 is often invoked to quash debate over Bumiputera preferential policies, despite the Constitution's qualification that these kinds of policies should be implemented only as necessary, not as an entrenched privilege. Affirmative action in Malaysia is contingent on the continued necessity for such extraordinary interventions.

The group preferences described in Article 153 emerged from a historical moment when inter-ethnic disparities and fissures were extraordinary, and the Malay community's vast socio-economic disadvantages in a nascent capitalist economy were

a source of concern. The 1957 Malaya Constitution—which followed the 1948 Federation of Malaya Agreement—accorded the Malay monarchies a role in safeguarding the special position of the Malays and in determining the need for group-based reservations in designated areas. At the same time, the explicit institutionalization of group preferences provoked concern. A review of the "special position" provisions for Malays was proposed after 15 years, but the clause was dropped due to political pressures, thereby precluding a scheduled evaluation of the provision's continued necessity.

Other than the measure of reasonableness, the Constitution provides no explicit safeguard against affirmative action overreach—that is, against infringements of the principles of equity or fairness. No legislative path or judicial recourse exists for affirmative action non-beneficiaries to contest denial of opportunity. In partial recognition of this fact, a practical "bargain" has been struck between the majority and minorities, whereby Bumiputera preference is pursued in the public realm—in public sector employment, public education institutions and public procurement—while limiting affirmative action requirements in the private sector.

Article 153 is also used by minority interests to assert the "legitimate interests" of other communities; however, these claims are often made without contesting the permanence of Bumiputera preferences, which unintentionally helps to perpetuate their existence. As a result, although their reading of the text is technically correct, minority arguments are insufficient to roll back preferential treatment or to institute a more equitable allocation of opportunity in general. Article 153 requires the state to safeguard "the legitimate interests of other communities" while also instituting the specified reservations "as may be necessary" to advance the special position of Bumiputera. In practice, demands to balance the "legitimate interests" of other communities pit pro-Bumiputera interests against non-Bumiputera interests, and sharpen the fault lines not only between ethnic groups, but between the public and private sectors. Confining affirmative action to the public sector (public universities, public sector employment and licensing) positions the private sector as a domain free from such intervention and paves a divided path, whereby public institutions are Bumiputera dominated and private institutions are non-Bumiputera dominated.

Advocates of the legitimate interests of other communities are undeniably critical of state policy and overt Bumiputera preferential treatment, but have done comparatively little to inform and consolidate the kinds of gains in Bumiputera capability, confidence and independence that are requisite for meaningful reform. To be viable and palatable, the removal of preferential treatment for the Bumiputera in general and the Malays in particular requires the empowerment and upward mobility of both groups. The greatest prospect for real, meaningful reforms stems from the habitually overlooked Article 153 clause that pro-Bumiputera preferential treatment should be instituted *if necessary*.

From this standpoint, the discussion should focus on making the policy effective with the ultimate aims of relinquishing the current divisive system of quota-based preferences and transitioning to other more inclusive mechanisms for balancing

group representation and fair treatment. Article 153 provides for interventions that build majority capabilities through education, licensing and employment, signalling an underlying intent that preferential selection should be productive and constructive. In the absence of legislative checks and balances against affirmative action overreaching and overstaying, and in view of the unlikelihood of repealing Article 153, the resolution of debates over majority affirmative action must spring primarily from tactful, decisive political action and policy reforms that makes educational institutions and workplaces sites of diverse interaction and capability development.

ETHNIC POLITICS, THE MAY 13TH VIOLENCE AND THE NEW ECONOMIC POLICY (NEP)

Malaysia's founding conditions established precedents and imposed constraints on pluralism. Some political accommodations centralized ethnic identities and projected patterns of ethnic relations onto society. At independence in 1957, Malaya inherited ethnically demarcated schisms from colonial rule. There were three main population groups: the Malays were overwhelmingly rural and poor; the Chinese were mostly urbanized and more upwardly mobile; and the Indian community was largely labouring and living on plantations. The formation of Malaysia in 1963, through the merging of Malaya (now Peninsular Malaysia) with the East Malaysian states of Sarawak and Sabah, increased the indigenous populations and expanded

the country's ethnic diversity. Since Malaysia has maintained an unease with regard to immigration, the notion and practice of integrating newcomers as equal citizens has never materialized.

British colonial policies forged racial and ethnic identities and created inter-group schisms.[8] A governing coalition comprised of ethically composed parties and orchestrated by the colonial government dominated post-independence politics. The United Malays National Organisation (UMNO), the Malaysian Chinese Association (MCA) and the Malaysian Indian Congress (MIC) formed the Alliance, holding power from independence and expanding in the early 1970s to form the Barisan Nasional (BN)—or National Front—with the co-optation of other parties. This "elite pact" or consociational model leveraged strong political representation and mobilization. Undeniably, ethnic group interests were prevalent and ethnic parties became useful channels to project such concerns. The constitutional imperatives and socio-political pressures to sustain Bumiputera privilege and minority interests were negotiated by elites representing their ethnic constituencies. Throughout Malaysia's history, politics has largely been framed by compromise between racially formed and unevenly weighted parties. UMNO, the predominant party of the Malays, rides on electoral strength and imposes hegemony within the coalition, yet it depends on coalition partners to preserve power. Thus, the practices of Bumiputera preference and concessions to non-Bumiputera communities have both become embedded in the policy superstructure, with both impacting on affirmative action and on ideas about national integration.

The coalition's ethnic appeal has pitfalls. Identity-driven parties tend to essentialize and homogenize ethnic groups, and to reinforce ethnic identities and consciousness. Through these means, the coalition's ethnic appeal also consolidates the majority Malay's hegemony. This is not to suggest that the counter-factual of non-ethnic based parties would avoid ethnic political mobilization or Malay leadership in governance. Nevertheless, the historical record of deep entrenchment of ethnicity under the Alliance/BN, and the preponderance of Malay elite interests in particular, derives from the coalition's ethnic composition. It is difficult to imagine these phenomena arising at the same magnitude from non-ethnic based political formations.

Majority and minority anxieties over the ethnic balance of political power erupted in 1969 in Malay-Chinese riots, which resulted in increased demands for Bumiputera preferential programs. The New Economic Policy (NEP) was formulated in the state of emergency that followed. Although the NEP sought to reassert Malay primacy, the policy development process included substantive deliberations with contending group interests and ideological positions. During the two-year state of emergency legislative changes restricted dissent. The Sedition Act of 1948, which prohibits the questioning of Article 153 and outlines a range of vaguely defined seditious tendencies, was strengthened. Economic planning and information was also placed more tightly under executive control. Overall, the NEP marked a pivotal turning point as national development policy and public institutions were galvanized and centralized.

Politically, the impact of widened executive powers and the predominance of Malay interests was reflected in new policy priorities, forms of governance and strategies of power preservation.[9] Since the NEP was instituted, political power has consistently centred on Peninsular Malaysia, and policy design and execution have disproportionately benefited Peninsular Malays—despite the extension of the same status to non-Malay Bumiputeras of Sabah and Sarawak. From the late 1980s, political patronage grew through privatization and distribution of state assets to Malay political elites and corporate titans. Malaysia's particular majority-minority ethnic dynamic and politics have affected the design and implementation of affirmative action policies in at least three significant ways. First, the centrality of race/ethnicity as a political platform has bolstered consciousness of Bumiputera and especially Malay preference, and fostered both a rhetoric and a mentality of entitlement. The constitutional safeguard of the Malay "special position" has transmuted in popular and political parlance into Malay special "rights" and "privileges"—words which convey a more fundamental and permanent claim on preferential treatment. The question of the NEP's duration has also dissipated over time. The original NEP—very ambitiously—declared a two-decade period of implementation (1971–90) and yet Malaysia's affirmative action regime persists today as a more or less permanent feature (with alterations at the margins) in education, and in public sector employment and procurement, with policies in equity distribution altering from time to time. Second, preferential asset and wealth transfers is another result of Malaysia's post-1969 political dynamics. The original constitutional provisions for preferential treatment emphasized productive rather than acquisitive opportunities. Nevertheless, asset and wealth transfers have featured

prominently in Malaysia's affirmative action regime. Third, in line with the pursuit of wealth transfer and political patronage, the NEP has sought to cultivate a Malay commercial and industrial class. Measures to promote advancement through education have been retained in form, but with little attention to substance and the quality of institutions. Instead, political priorities have been shifted toward the development of a capitalist class.

The original impulse of the NEP was to find a solution to the vexing and searching problem of group-based inequalities at the heart of national development. To this end, the NEP has pursued a two-prong approach. The first prong of the NEP addressed the need for pro-poor policies such as primary schooling, infrastructure development and health facilities, where socio-economic need was the chief consideration. The second prong targeted specific groups with the aim of promoting Malay/Bumiputera upward mobility in spheres where members of these groups were grossly under-represented, such as tertiary education, higher-paid occupations, and the ownership and control of capital. The distinction made by the NEP between need-based programs targeting the poor versus ethnicity-based program targeting Bumiputera upward mobility is an important one, and one that has been muddled in recent efforts to reform Malaysia's current majority affirmative action regime.

In terms of scope and beneficiaries, affirmative action in education has been the most successful. The extensive promotion of Bumiputera representation through education reflects the constitutional emphasis, through Article 153, on productive, capability-building measures to promote

Malay upward mobility. Arguably, the prospects for affirmative action to foster inclusive citizenship hinge on its effective and transitory implementation in higher education.[10] At the same time, this aspect of affirmative action is the most neglected—a point we return to in unpacking lessons from Malaysia's experience.

III. CONSEQUENCES FOR PLURALISM: ENTRENCHED PREFERENCE, BOUNDED INTEGRATION

Malaysia's approach to diversity is often viewed as a model of success in moderation, tolerance and harmony, but, of course, this assessment is relative. Integration has come a long way, but has it gone far enough? How deep can pluralism go in Malaysia toward extending inclusive citizenship based on mutual respect? Is majority affirmative action still the best policy option? As it is anywhere, affirmative action in Malaysia is a double-edged sword. It has the potential to bridge divides, promote interaction and facilitate inclusion of designated groups, but can also sharpen identities and accentuate differences. Whether aimed at minority or majority redress, a dynamic of inclusion-exclusion fundamentally animates the policy.

The imperatives and compromises in Malaysia discussed in Section II forged a vast regime of Bumiputera preferential programs designed to reduce ethnic socio-economic disparities and promote multi-ethnic integration—the official elements of "national unity." Over time, these

preferential policies have become entrenched and intractable to real reforms, and yet their perpetuation limits the extent to which national integration can be realized and pluralism deepened.

Pluralistic sentiments linger in the background of Malaysia's economic policy and ethnic redistribution. The overarching objective of the NEP was national unity. Poverty eradication for the population as a whole and majority affirmative action for Malays and other Bumiputera were the two means identified to achieve this goal. In practice, the second premise—that unity and integration are contingent on proportionate Bumiputera access and attainment in the upper socio-economic spheres—has taken precedence over the first, without any clear articulation of timelines or transition plans for rolling back affirmative action programs—which Article 153 of the Constitution states should be needs based. To assess the impact majority affirmative action has had on group-based inequalities in Malaysia, this section considers its implementation first in the sphere of higher education and then in high-level occupations, enterprise development and asset ownership, before weighing the implications of these experiences for policy design.[11]

Affirmative Action in Education

Affirmative action in education—in the form of preferential admissions, scholarships and exclusive Bumiputera programs and institutions—has played a vital role in expanding access at the post-secondary and tertiary levels to Malays and other Bumiputera groups. In public universities, the share of Bumiputeras in enrolment jumped from 40% in

1970 to 63% by 1985, and stabilized at that level until 2003.[12] Current data on ethnic composition of university student bodies are difficult to obtain, but preferential policies undeniably sustain Bumiputera entry to a considerable degree. The policy's overall execution has enhanced Bumiputera group representation in universities and equipped graduates of this formerly under-represented group for labour market entry and upward occupational mobility. However, the policy's discriminatory elements complicate the picture. Preferential university entry for Malays and other Bumiputeras has undeniably come at the expense of substantial numbers of non-Bumiputeras with equivalent or higher qualifications.

Exclusion of non-beneficiaries per se is not an argument against affirmative action, but legitimate questions arise concerning the magnitude and endurance of preferential treatment and the fairness of its administration. The extent of exclusion of minority groups from public higher education institutions is impossible to quantify precisely, but the numbers are surely substantial. Antipathy toward the system for denying opportunity, and objection to the continuance of Bumiputera-exclusive Universiti Teknologi MARA (UiTM), are regularly expressed. One implications of these exclusions is the phenomenon of large numbers of minority-group students leaving Malaysia for overseas education, at high cost to self-funding families. Many of these students never return. In addition to privately-funded education abroad, enrolment in private higher education institutions in Malaysia has been treated as a depressurizing valve to relieve minority discontent. Liberalization of higher education in the mid-1990s led to a

proliferation of private tertiary education in Malaysia. The availability of more affordable options than overseas programs has been generally well received.

Even so, by opting to placate contending interests instead of pursuing initiatives to promote the inclusion of diverse groups across all spheres, the state has perpetuated the public-private dichotomies that pervade Malaysia.[13] Some public universities are ethnically diverse, but most are predominantly Bumiputera; private universities are predominantly non-Bumiputera. While the outcome may be acceptable for mitigating conflict, the stark divergence in academic pathways—with Bumiputeras overwhelmingly choosing to attend public institutions and non-Bumiputeras increasingly leaning to private education—cannot bode well for national integration and pluralism. The consequences of preferential treatment are arguably heavier in education than in the other domains of affirmative action, in part because so many beneficiaries and non-beneficiaries are involved, and in part because the success of affirmative action in education creates the most promising argument for transitioning away from the present regime of extensive, quota-based affirmative action.

In recent decades, the problem of differential access has been compounded by the different entry routes pursued by Bumiputera and non-Bumiputera students to university. A majority of Bumiputera students pass through matriculation colleges, which offer a shorter and easier course of study than Form Six (Malaysia's corollary to British A-Levels). Access to matriculation colleges was limited to Bumiputera

until 2002, when a 10% non-Bumiputera quota was introduced, but with little impact. Most non-Bumiputera enter university through the more demanding Form Six program. Reform of university entry requirements would therefore require the standardization of rigour and achievement in preparation, and a common entry examination or other means to level the playing field.

A wider problem springs from the declining quality of Malaysia's public education system, specifically the Malay-medium national schools. Chinese vernacular schools are sought for more regimented teaching and demanding workloads. The implications are greater at the primary level, where ethnic preferential policies are absent, but where precedents and trajectories are set that often militate against future integration and greater pluralism. Chinese schools have consistently maintained a support base, but in recent decades have received an influx of students from the national schools that their parents attended.[14] In addition to concerns about the quality of education offered in national schools and a higher regard for vernacular school instruction, the tidal flow into Chinese schools is also propelled by the increased value placed on Chinese language instruction and rising consternation at growing Islamization in the national schools.

Secondary schools are more diverse and reflective of the locality's ethnic and cultural composition, given the scarcity of secondary level Chinese vernacular schools, with the result that inter-group interaction would be more common in some places. The departure of higher achieving Bumiputera students to Bumiputera-reserved residential colleges often

limits these interactions. Curricula also play a role in shaping attitudes and understandings of inclusivity, respect and pluralism, all the more so where school bodies are ethnically homogeneous due to the make-up of neighbourhoods. Analyses of school textbooks for group representation reveal token and often caricatured portrayals of minorities, particularly in the teaching of history and the contributions of diverse communities to nation-building. Overall, the curricula inclines toward perpetuating ethnic stratification, unquestioning deference and development worship.[15]

Equity of educational opportunity—as a principle that applies to all citizens—remains a distant goal, as does the equitable distribution of gains throughout the entire Bumiputera community. In respect to educational attainments, non-Malay Bumiputeras remain relatively excluded from their proportionate share of benefit. Tertiary education attainment within this group is trails behind that of Malays and Chinese. The marginalized working classes within the Indian population are another relatively excluded group.[16] With the expansion of private, costly education at primary and secondary levels class-based exclusion has tended to become more pronounced in recent years as well.

High-Level Occupations, Enterprise Development and Asset Ownership

Re-balancing ethnic representation in the workplace has been a national agenda. The New Economic Policy (NEP) stipulated that "employment patterns at all levels and in all sectors... must reflect the racial composition of the population."[17] The unstated priority were management and professional positions. In line with Article 153 and the socio-political circumstances already discussed, this initiative has focused on the public sector and state-owned enterprises where Bumiputera entry to professional and managerial positions has been facilitated through ethnic quotas.

The over-representation of Bumiputeras in the public sector today has made this redistributive policy redundant. The absorption of Bumiputeras, especially Malays, into public sector in high-level positions is evidenced in the employment data. In June 2005, Malays comprised 83.9% of top management, and 81.6% of managers and professionals in government departments and agencies. In contrast, non-Malay Bumiputeras occupied only 1.4% of top management positions and 3.2% of managers and professionals.[18] On the whole, the Bumiputera share of occupations targeted by affirmative action, encompassing private organizations and public sector administration, increased from 47.0% in 1970 to 62.1% in 2013 for professional and technical positions, and from 24.1% in 1970 to 43.4% in 2013 for managerial positions.[19]

Affirmative action in enterprise development, which is frequently coupled with asset ownership and control, and termed the Bumiputera Commercial and Industrial Community (BCIC), has also received tremendous policy attention and resources. Malaysia has deployed an array of vehicles to deliver the BCIC, from the provision of loans by state agencies to direct employment and procurement through the State Economic Development Corporations (SEDCs) and Government-Linked Companies (GLCs). The massive collapse

of privatized entities controlled by selected Bumiputera capitalists in the aftermath of the Asian financial crisis in the late 1990s resulted in their rescue by the government and reconstitution as GLCs. Government-Linked Investment Companies (GLICs) also came to play a more pivotal role in the post-Asian financial crisis era. Through the GLICs, particularly *Khazanah Nasional*, *Permodalan Nasional* (National Corporation) and the Ministry of Finance Inc., the state exercises control over GLCs and leverages this toward promoting the BCIC agenda. The government's aim throughout these transitions has been to ensure alignment of affirmative action goals with structural changes in the economy.

Public procurement, contracting and licensing have also been utilized to promote Bumiputera enterprise development. The public procurement system reserves the smallest class of contracts for Bumiputera contractors, while medium to large contracts (except for the largest category) offer more favourable conditions for non-Bumiputera. Bumiputera small businesses, another category of beneficiaries, are offered financial and advisory assistance through agencies such as MARA (*Majlis Amanah Rakyat*, the Council of Trust for the People) and PUNB (*Perbadanan Usahawan Nasional*, the National Entrepreneurial Corporation).

The interventions to promote Bumiputera, especially Malay upward occupational mobility, and enterprise management and ownership, are far-reaching and intensively applied with the same sorts of dynamics of inclusion and exclusion discussed in respect to education. Increased access and

opportunity raises Bumiputera participation and fosters diverse interactions in esteemed, influential, decision-making positions. Yet persistent exclusion of other population groups from such positions adversely impacts the group's collective stature. Malay urbanization and Malay middle-class expansion have empowered the community as a whole. The public sector has been a direct employer and training ground for Malay professionals and managers whose position, accomplishment and confidence have raised the standing of the community broadly.

Ethnic preferential treatment nevertheless has had implications across the different areas of policy intervention. Over time, the sense of exclusion from job opportunity and career advancement among non-Bumiputera has dwindled. As fewer non-Malays enter the public sector or even harbour such an intention, aversion towards ethnic preference in hiring and promotion arises less from personal grievance at the curtailment of employment opportunities than from discontent with the inefficiency, corruption and poor service delivery of public sector institutions.

Non-Bumiputera grievances over preferential allocation of education opportunities to the majority Malays remain strong by comparison, particularly among individuals aspiring to enter public university or who are unable to afford private alternatives. Space to operate in the private sector (supported by the Malaysian economy's robust growth) may offset some adverse responses to the preferential access of Bumiputera to business opportunities and the resulting privileges. More obtrusive and zero sum measures, such as

mandatory Bumiputera equity allocations, have been scaled down or phased out. Companies pursuing public procurement, contracting and licensing, where Bumiputera shareholding, directorship and personnel requirements prevail, can accommodate these conditions while preserving effective control. The prospect of accessing state largesse lubricates the co-optation of Malay partners, especially politically connected patrons—a practice mainly in large companies with ample resources to invest and room for manoeuver. On the whole, the employment sphere remains fractured, with a predominance of Bumiputeras in the public sector and government linked companies, and mono-ethnic workplaces in much of private sector, especially small and medium scale enterprises, and even in multi-ethnic urban localities.

These accommodations can be viewed as another case of tolerance and peaceful coexistence, and such an appraisal would not be far off the mark. Malaysia's remarkable record of reducing income poverty, from 49.3% in 1970 to 0.6% in 2014, and bridging inter-ethnic income disparities— reflected in Chinese-to-Bumiputera and Indian-to-Bumiputera household income ratios—have surely alleviated many of the tensions that arise from persistent deprivation and horizontal group disparities.[20]

Nonetheless, there is also a compelling sense that Malaysia has fallen short of its own aspirations for integration and inclusiveness. If inter-ethnic mingling and social interaction among children and youth in education institutions are valued, the same should apply to adults and workplaces. Outward stability and lack of open conflict may also mask unsavoury attitudes and harmful perceptions, thereby diverting attention from ethnic discrimination, stereotyping and unfair employment practices.

Issues surrounding ethnic discrimination are indeed vented in public now and again, mostly based on perception, allegation and anecdote. A recent field study suggests ethnic discrimination prevails in the screening of private sector job applications, with the result that Malay graduates are much less likely to be called for interview than comparably qualified Chinese graduates.[21] The study was unable to examine the public sector, but it is likely the converse could be expected. The authors attribute the findings to various plausible factors, including perceptions of education quality and work ethic, lingual and cultural compatibility, and ethnic prejudice and stereotyping—all issues pertinent to affirmative action. These phenomena are much more complex than can be synthesized here, but there is a clear need for legal oversight of labour market practices and grounds to advocate promotion of inclusion and diversity in both private and public workplaces. On the whole, clearer frameworks that define fair practices and selection processes can contribute toward balancing equitable access with group representation, and perhaps help defuse the tensions around such issues.

Policy Reform: Real or Illusory?

Whether explicitly or implicitly, ethnic preferential policies have often been regarded as a temporary measures; their perpetuity detracts from full realization of national integration and pluralism. Economic conditions and political calculations

also influence the rhetoric and practical attempts at reform. In buoyant times, optimism spurs confidence that special treatment may be rolled back; in politically uncertain times, reformist stances toward affirmative action can be leveraged to garner popularity. The New Economic Policy (NEP) proposed a 20-year timeframe (1971–90), ambitiously placing the burden of stewarding a massive national enterprise on the shoulders of one generation. The success of Vision 2020, articulated in 1991 amidst both consciousness of the NEP's unfinished business and an unprecedented economic boom, was predicated on the "creation of an economically resilient and fully competitive Bumiputera community,"[22] implying a retraction of ethnic quotas and preferential treatment. This vision rode a wave of optimism in the 1990s, but fizzled out following the Asian financial crisis.

The rhetoric of reform and transformation has attained greater heights since 2009, sparked by the March 2008 general elections when the ruling Barisan Nasional coalition lost its two-thirds parliamentary majority. Following the election, the Pakatan Rakyat (PR) federal opposition coalition took the lead in advocating change to Malaysia's affirmative action regime, formally a "Need-based Affirmative Action" policy platform in December 2009. Prime Minister Najib Razak's New Economic Model subsequently declared both a continuation and a revamp of affirmative action to "consider all ethnic groups fairly and equally" on the basis of economic need and "merits of the applicants."[23]

Regardless of the contexts and motivations behind the reform rhetoric, a central tenet of affirmative action is that the policy when effectively and productively executed can be removed.[24] The policy's particular form in Malaysia—applying ethnic quotas or exclusive access to benefit the majority group—warrants its removal as a necessary though insufficient condition for realizing integration and inclusiveness. The nation has progressed to the extent that public and political discourses on affirmative action reform are now mainstreamed; however, the widely articulated reform positions are fundamentally flawed and misguided.

The most frequently cited notion of reform would systematically replace ethnicity-based affirmative action with "need-based" or "merit-based" affirmative action focused on socio-economic need. The underlying premise of the argument is misguided. Affirmative action is not a poverty alleviation or welfare provision. The policy targets an identity trait as the criteria for assigning preference—ethnicity, gender or caste, as the case may be in other countries. Need-based policies target a socio-economic group—the poor. Need-based actions can reinforce, but not replace, the ethnicity-based structure of affirmative action in Malaysia.

Affirmative action reform agendas also fail to gain traction because of a seemingly intractable impasse—the lack of an alternative. Defenders of the status quo stand off against proponents of abolishing ethnic preferential treatment, neither of whom offer a credible exit pathway. Undoubtedly, some parties have a vested interest in maintaining privilege. Yet the opposing side, often repulsed by the corruption, abuse and elite enrichment that is committed on the pretext of affirmative action,

often proposes little beyond policy termination, without consideration of transition plans that might make Bumiputera policies more effective as a pre-condition for them to be dismantled. For these reasons, the wealth distribution and public procurement components of affirmative action receive disproportionate attention, while problems and inefficacies in education are overlooked.

Malaysia's exit pathway from its current regime of affirmative action will be strenuous and complicated to chart. The timing and nature of this exit will have a major bearing on how the nation manifests pluralism in its institutions and practices. While policy reform and equitable economic opportunity for groups is important, where groups feel a sense of belonging and inclusion in the national narrative are also vital considerations that affect inter-group perceptions and relations, as well as attitudes toward positive discrimination policies. The next section considers these other dynamics of inclusion and exclusion.

IV. CULTURE, LANGUAGE AND RELIGION

The presence of substantial minority groups coupled with a history of multi-ethnic co-existence underpinned by constitutional demarcations of group differences has shaped Malaysia's approach to national identity, belonging and expression. Culture, language and religion are matters of deep societal and policy concern, and contribute to the dynamics of inclusion and exclusion. In respect to culture and language, Malaysia exhibits elements

of integration and assimilation, perhaps more of the former, but the country has not pursued either direction in a purposeful or systematic manner. Instead, it drifts in an uneasy and unresolved in-between space, failing to reach an amenable settlement on the basis of pluralism, inclusion and collective identity.

Although historically the country is better suited to an integrationist approach that recognizes and accommodates ethnic differences within national identity, language and cultural policies reveal various hallmarks of assimilation. The adoption of Malay as the national language—with the expectation it will become everyone's first language—was intended as a unifying factor. In practice, the policy creates a difficult balance, with the potential gain of a common, proficiently spoken language, on the one hand, and the loss of language diversity and inclusiveness, on the other. Non-Malay communities have also contested Malay-dominated cultural policy and resisted the state's attempts at assimilation[25] by rallying around communal issues, such as the preservation of vernacular schools as cultural spaces for minorities, premised on the basic right of mother tongue education.

The assertion of a Malay-centric national identity rather than a more cosmopolitan project reveals a general ambivalence toward cultural diversity, which is treated more as a matter of mutual appeasement than of collective enrichment. The National Cultural Policy, launched in 1971, expressed a clear assimilationist intent, but even Malays regarded it as an artificial imposition. With the stated goal of subsuming minorities into the Malay ethnic group, the policy was critiqued for

being "too essentialist in its approach, based on an idealized civilizational notion of Malay culture."[26]

Despite the exclusionist tendencies of preferential policies and the assimilationist tendencies of cultural policy, public opinion research suggests cultural inclusion and social interaction are significant, meaningful and socially valued. Some surveys have found that Malaysians are generally positive about ethnic relations, although the assessments are qualified.[27] Studies of university students find evidence of inter-ethnic tolerance and coexistence, but friendships and social circles are largely characterized by ethnic polarization (Jahara, Tey and Yeoh 2004).[28] That Malaysians express comfort with the state of ethnic relations is perhaps not surprising, in view of: the manifold celebrations of cultural festivals and religious holidays; the general appreciation for multi-ethnic imagery and amiable inter-ethnic relations; the shared affinity for food; the general absence of ethnic violence (despite occasional provocation); and the adequacy of a common language, even if all practitioners are lacking in fluency. At the same time, a multi-country survey by the Centre for Research on Inequality, Conflict and Ethnicity (CRISE) has found that Malaysians, compared to respondents of seven other countries, are substantially less likely intermarry and more likely to disapprove of inter-marriage.[29]

When subjected to a more critical inquiry—whether inclusiveness and mutual respect are embedded in citizenship and public institutions—Malaysia falls short particularly in relation to two issues. First, the expansion of Islamic conservatism and its exercise of unilateral power increasingly fractures society along religious lines, provoking concerns that religion may replace race as the basis for unequal citizenship, especially when these divisions are exploited for political expediency.[30] Second, the persistent marginalization and lagging development of indigenous minorities perpetuates sentiments that, even for those bearing Bumiputera status, inclusion in the Malaysian mainstream remains elusive for non-Malays.

Malaysia has passed through phases of state-promoted integration agendas, but such campaigns lack endurance and credibility. Two are worth mentioning here. *Bangsa Malaysia*, most closely translated as "Malaysian nation," was started in the 1990s as an attempt to create an umbrella national identity that subsumes ethnic diversity. This notion became entwined with then Prime Minister Mahathir Muhammed's Vision 2020, and rode on the heady economic growth, prosperity and optimism of the time. However, the vision never quite materialized—partly due to its lack of depth and authenticity, and partly due to the disruptions of the Asian financial crisis and subsequent political vicissitudes. The next notable attempt came in the form of current Prime Minister Najib Razak's "One/Satu Malaysia" campaign, launched in 2009 to promote greater government support for ethnic harmony, national unity and effective governance. This platform—designed to reverse the government's receding popularity—has also fallen by the wayside due in large measure to the government's failure to go beyond slogans and populist programs and because of Najib's lack of personal credibility. Fundamentally, the dissonance between these visions of national integration and the ruling coalition's model of ethnicity-based representation with Malay hegemony has not been adequately reconciled.

V. EMERGING LESSONS

This change case of the Malaysian experience has focused on the ways ethnicity suffuses socio-economic disparities and the responses to them through public policy and politics, with a particular focus on the structures and outcomes of majority affirmative action. All of these dimensions of diversity and response have implications for the dynamics of inclusion and exclusion. By way of conclusion, lessons emerge from this case along three broad themes: constitutional provisions for preferential treatment and a group's "special position;" ethnicity in politics and policy; and prospects for reform and progress.

Constitutional Provisions for Preferential Treatment and "Special Position"

Constitutional and legal frameworks set constraints and parameters on pluralism. This fact is plainly illustrated by the Malaysian case. At the same time, tactful and forward-looking interpretations of the law can carve out spaces for reform in the direction of inclusiveness, e.g., through the reduction of status-based ethnic quotas. Article 153 provides for preferential treatment to secure equitable socio-economic opportunity for Malays and other Bumiputera on the basis of their "special position". This constitutional provision would seem to entrench affirmative action on an indefinite basis; however, as discussed earlier, this provision is conditional on necessity and hence, in theory, has temporal boundaries. The duration of preferential treatment entails assessment of continued socio-economic disadvantage and the state of Bumiputera empowerment. This approach represents a more

constructive handling of the Constitution compared to other arguments that promote minority interests without questioning the efficacy of the programs that favour the majority and encourage greater polarization of different groups into public and private sectors. Focusing on the question of need shifts attention to the continuation of affirmative action and whether the elevated state of Bumiputera empowerment provides sufficient grounds for systemic reform. To lean on Article 153's compromise of majority privilege *versus* minority rights, as is often articulated, is to settle for less. The Constitution's provision for a need-based assessment of affirmative action policies has the potential to serve as an engine of greater inclusion.

Ethnicity in Politics and Policy

A second set of lessons derives from the centrality of ethnic representation in politics and ethnic interest in policies. Ethnic issues in politics have been real and marked, and continue to be important. However, the formation of ethnicity-based parties, and of Malay hegemony within the Barisan Nasional coalition in particular, is an increasingly anachronistic vehicle to carry Malaysia toward an inclusive and progressive future. Malaysian citizens have shown increasing consciousness and assertiveness to rally behind issues, many of which transcend ethnicity, and are less driven by identity politics than in the past. The entrenched power of the Barisan Nasional and hegemony of Malay party UMNO within it—coupled with an electoral system heavily and unfairly skewed in favour of the incumbent—produce dim prospects for political change in the foreseeable future.

Inclusive citizenship and mutual respect hinge substantially on societal attitudes and aspirations, which are in turn shaped by interactions and the visibility of group members in all socio-economic spheres. Increased representation of Bumiputera Malaysians in university, professional and management positions has undoubtedly contributed to perceptions that such positions are attainable. Malay urbanization and middle-class formation has increased the spaces for inter-ethnic interaction and provided tangible proofs of empowerment. The accommodation of contesting interests can also be regarded as fostering inclusiveness, for instance, in the ways vernacular schooling broadens choice, while the confinement of affirmative action to public education institutions and public sector employment maintains opportunities in the private education and companies.

However, while this approach assuages contending interests and maintains broad compromise, it also causes division and exclusion. The flipside of the Bumiputera preference coin is the sense of deprivation and injustice that springs from unequal opportunity for non-Bumiputera Malaysians, especially in university admissions, public sector employment, government contracting and allocations of state largesse. The parallel schooling institutions, particularly in primary school, may deliver compromises that allay tensions between coexisting groups, but they also have the effect of segmenting society and reducing inter-ethnic interaction and personal relationships.

The partiality of Malaysia's pluralism and the entrenchment of majority affirmative action cloud and complicate the prospects for more inclusive reforms. Nonetheless, the status quo is unacceptable to many. Nor can it sustain the nation's own aspirations for unity in diversity. Hence, it is both necessary and beneficial to pursue a greater and truer integration through pluralism, with recognition and inclusiveness based on citizenship and fairness supplanting narrow ethnic, religious or identity-based claims.

Prospects for Reform and Progress

One clear lesson of Malaysia's experience with majority affirmative action is that the policy should focus on productive, capability-building measures, especially in education. Although affirmative action is fundamentally ethnicity- or group-based, need-based and merit-based considerations can play complementary and reinforcing roles. In principle, group-based benefits should be evenly and effectively spread within the beneficiary group and be attuned to other marginalized groups, notably Indian poor communities. Where feasible, preference based on socio-economic disadvantage can empower the poor, facilitate inter-generational upward mobility and mitigate the contentions arising from ethnicity-based preferences. Education stands out as the sphere where such interventions are logical and feasible.

In contrast, socio-economic need is a less useful criterion for preference in the other spheres of affirmative action, notably high-level occupations, public procurement and enterprise development. Affirmative action to promote Bumiputera participation in these areas hinges on individual capability, competitiveness and potential. Such efforts need to be reinvigorated so the conditions

of need are met, thereby creating the conditions that would allow a progressive scaling back of Bumiputera preference.

In the socio-political sphere, to a large extent policies have emerged out of bargains and compromises. Bumiputera preferential measures have been confined for the most part to public sector education and employment, leaving the non-Malay dominated private sector largely outside the domain of redistributive requirements, except for some areas of public procurement and equity ownership. This bargain, to some extent, alleviates conflict over unequal opportunity due to preferential access. The concentration of affirmative action in the public sector is perhaps unavoidable; by definition, it falls directly under the state's control. Nonetheless, if the state persistently maintains such private-public sector dichotomies and neglects measures to build the socio-economic capability and confidence of the majority, then the likelihood of ever being able to scale back preferential treatment and forge a more inclusive citizenship will fade.

Malaysia's already complex situation is also compounded by the persistence of ethno-centric politics, and lack of policy coherence and political will to transition to other models that balance group representation or diversity with the interests of merit-based selection and need-based social programs. The more fruitful passage forward, for Malaysia and any society in a similar situation, is to conduct affirmative action effectively, then transition away from it—toward more productive and less divisive means of maintaining inclusiveness and equitable representation.

NOTES

[1] A.B. Shamsul (2008), "Many Ethnicities, Many Cultures, One Nation: The Malaysian Experience," UKM Ethnic Papers Series No. 2 (November).

[2] Barbara Watson Andaya and Leonard Y. Andaya (2001), *A History of Malaysia* (Honolulu: University of Hawai'i Press).

[3] Edmund Terence Gomez and K.S. Jomo (1999), *Malaysia's Political Economy: Politics, Patronage and Profits* (Cambridge: Cambridge University Press).

[4] Boo Teik Khoo (2005), "Ethnic Structure, Inequality and Governance in the Public Sector: Malaysian Experiences," Democracy, Governance and Human Rights Program Paper No. 20 (Geneva: United Nations Research Institute for Social Development).

[5] Malaysia (1971), *Second Malaysia Plan, 1971–75* (Kuala Lumpur: Government Printer), available at www.epu.gov.my/en/home.

[6] Roland G. Fryer, Jr., and Glenn Loury (2005) "Affirmative Action and Its Mythology," *Journal of Economic Perspectives* 19 (3): 147–62; International Labour Organization (2007), *Equality at Work: Tackling the Challenges*, ILO Conference, 96th Session, Report I (B) (Geneva: ILO).

[7] Malaysia (2006), Federal Constitution (Kuala Lumpur: Government Printer).

[8] Colin Abraham (1997), *Divide and Rule: The Roots of Race Relations in Malaysia* (Kuala Lumpur: Insan); Charles Hirschman (1986), "The Making of Race in Colonial Malaya: Political Economy and Racial Ideology," *Sociological Forum* 1 (2): 330–59.

[9] Kee Beng Ooi (2013), "The New Economic Policy and the Centralisation of Power," in *The New Economic Policy in Malaysia: Affirmative Action, Ethnic Inequalities and Social Justice*, edited by Edmund Terence Gomez and Johan Saravanamuttu (Singapore and Petaling Jaya: NUS Press, ISEAS and SIRD), 317–34.

[10] Hwok-Aun Lee (2014), "Affirmative Action: Hefty Measures, Mixed Outcomes, Muddled Thinking," in *Routledge Handbook on Contemporary Malaysia*, edited by Meredith L. Weiss (London: Routledge), 162–76.

[11] For a wider discussion of affirmative action policies and spheres, see Lee (2014).

[12] Khoo (2005); Machi Sato (2005), "Education, Ethnicity and Economics: Higher Education Reforms in Malaysia, 1957–2003," *Nagoya University of Commerce and Business Journal of Language Culture and Communication* 7 (1): 73–88.

[13] Places in the University Teknologi MARA (UiTM), which in 2009 enrolled 140,000 out of a total 590,000 in the public university system, are reserved exclusively for Malay and Bumiputera students, while the private Universiti Tunku Abdul Rahman (UTAR), affiliated with the Malaysian Chinese Association (MCA) political party, has maintained overwhelmingly Chinese and virtually zero Malay enrolment.

[14] In 2010–11, the student body of Malay-medium national primary schools was comprised of 94% Bumiputeras, 1% Chinese, 3% Indians and 2% others. Chinese vernacular, "national-type" schools were comprised of 88% Chinese, 9% Bumiputeras, 2% Indians and 1% others. Tamil-medium schools had a 100% Indian population. Malaysia (2012), *Education Blueprint, 2013–25* (Kuala Lumpur: Government Printer), 3–23.

[15] Graham K. Brown (2007), "Making Ethnic Citizens: The Politics and Practice of Education in Malaysia," *International Journal of Educational Development* 27: 318–30.

[16] In 2010, the proportion of the labour force with a degree, diploma or post-secondary certificate was 24.2% in Malaysia, and highest among Bumiputeras, at 27.2%. However, we can also observe disparities across groups and within the Bumiputera category. The share of tertiary-level qualified was highest in the Malay labour force (29.9%), followed by the Chinese labour force (25.1%) and Indian labour force (23.1%). However, this figure is consistently lower among non-Malay Bumiputeras (15.2%).

[17] Malaysia (1971), 42.

[18] Centre for Public Policy Analysis (CPPS) (2006), *Towards a More Representative and World Class Civil Service* (Kuala Lumpur: Centre for Public Policy Analysis).

[19] Malaysia (1971); Department of Statistics (2013), *Labour Force Survey Report* (Putrajaya: Department of Statistics).

[20] Official statistical series computed and compiled by the Economic Planning Unit (http://www.epu.gov.my/en/household-income-poverty).

[21] Hwok-Aun Lee and Muhammed Abdul Khalid (2016), "Discrimination of High Degrees: Race and Graduate Hiring in Malaysia," *Journal of the Asia Pacific Economy* 21 (1): 53–76.

[22] Mohamad Mahathir (1991), "Working Paper—The Way Forward," presented to the Malaysian Business Council, 28 February.

[23] National Economic Advisory Council [NEAC] (2010), *New Economic Model—Part 1* (Putrajaya: NEAC).

[24] Lee (2014).

[25] Helen Ting (2014), "Race Paradigm and Nation-Building in Malaysia," in *Transforming Malaysia: Dominant & Competing Paradigms*, edited by Anthony Milner, Abdul Embong and Tham Siew Yean (Singapore: ISEAS), 82–110.

[26] Ibrahim Zawawi (2004), "Globalization and National Identity: Managing Ethnicity and Cultural Pluralism in Malaysia," in *Growth and Governance in Asia*, edited by Yoichiro Sato (Honolulu: Asia-Pacific Center for Security Studies), 115–32.

[27] Ting (2014).

[28] Jahara Yahaya, Tey Nai Peng, and Kok-Kheng Yeoh, eds. (2004), *Ethnic Interaction and Segregation on Campus and at the Workplace* (Kuala Lumpur: Centre for Economic Development and Ethnic Relations).

[29] Frances Stewart (2010), "Inclusive Growth: An Interpretation in the Malaysian Context; Implications for Monitoring, Measurement and Policies," Report for the United Nations Development Programme (UNDP), December.

[30] Carolina Lopez (2014), "Inter-faith Relations in Malaysia: Moving Beyond Muslims versus 'Others,'" in *Routledge Handbook on Contemporary Malaysia*, edited by Meredith L. Weiss (New York and London: Routledge), 162–76.

CASE AUTHOR

Hwok-Aun Lee is a Senior Fellow at the Institute for Southeast Asian Studies in Singapore. His research interests include affirmative action, inequality, labour, social policy, discrimination and education.

The Global Centre for Pluralism is an applied knowledge organization that facilitates dialogue, analysis and exchange about the building blocks of inclusive societies in which human differences are respected. Based in Ottawa, the Centre is inspired by Canadian pluralism, which demonstrates what governments and citizens can achieve when human diversity is valued and recognized as a foundation for shared citizenship. Please visit us at **pluralism.ca**